

ETHIOPIA

Year 3 findings from the Life in a Time of Food Price Volatility Study



Young people waiting at school gate to sell their samosa for school children, Addis Ababa, Ethiopia

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CONTENTS

1 INTRODUCTION	3
2 COUNTRY CONTEXT	4
National issues: prices, subsidies, food security and welfare programmes.	4
Other national or global factors	5
3 FIELD RESEARCH FINDINGS 2014 AND CHANGE OVER THREE YEARS	6
Wellbeing of households and individuals	6
Coping	7
Support and social protection	8
Processed and unsafe foods	9
What are people's worries	11
What kind of regulation and information is done and by whom?	13
4 CONCLUSIONS	14
Links between local, national and global conditions and actions	14
Changes over three years	14
Specific issues with unsafe and processed foods	14
Implications for people living in poverty	14

1 INTRODUCTION

A brief introduction to the topic

The aim of this study is to investigate and document poor people's experiences of food price volatility in ten countries. In Ethiopia, senior researchers carried out a qualitative study in two communities, one urban from Addis Ababa and one rural in the Oromia region, in each of the last three years. This year's research was carried out in the same season in 2014 with the same respondents and field researchers.

This year, in addition to exploring themes relating to wellbeing, coping strategies in the face of relatively high and volatile prices, unpaid care and social relations, the research focused on pre-prepared and processed foods, in an attempt to understand the adequacy and acceptability of the food people are eating in the research communities; focusing specifically on how food habits and customs are being influenced by processed foods and foods perceived to be unsafe. In particular we were interested in a) the incentives for the consumption of processed foods, b) the worries attached to their consumption and c) the structures in place to address some of these concerns.

This year, the collective outcome of global decline in oil prices, strong government intervention in regulating prices of items and a good harvest, are witnessed in the eased life of many people in the study areas. Some of the government interventions include the establishment of institutions that regulate food prices and promote fair trade, the subsidizing of condominium housing construction, as well as an increase in salaries and the provision of free public transport for the civil servants. Moreover, last year good harvest has brought a good supply of food items in the country.

With regards to processed foods and food perceived to be unsafe, we found that fast food consumption has significantly increased in the last few years. It is supplied at low prices and many find it affordable, easily accessible and some consider it to be nutritious. However, some have expressed their concern over hygiene while others fear that it would expose many families to economic problem because husbands and children are progressively eating outside and do not bring money home.

2 COUNTRY CONTEXT

National issues: prices, subsidies, food security and welfare programmes.

Compared to the last few years, the prices of consumer goods seem to have fallen in both sites. The establishment of the Trade Practice and Consumer Protection Authority and of local Consumers' Cooperative shops which supply consumer goods have contributed to stabilizing prices.

[illegible]

Head of Ethiopia Trade Practice and Consumers' Protection Authority Head speaking on price and quality problem of consumer goods. The table shows a price list of spaghetti and macaroni as fixed after negotiation between producers and Consumer Cooperatives (The Reporter, 14 September 2014)

Although initially salary initiatives led to a rise in consumer price because traders immediately increased prices, the salary increase made to civil servants last year helped government employees cope with the food price increase. Moreover, the government has begun providing free public transport for civil servants living in Addis Ababa. More importantly, the government is building condominium houses with low costs and distributing by lottery for those who saved the required amount. There are three levels of savings to buy condominium houses. The first is 10:90 (households can save 10% of the cost of the house in a commercial bank in closed account and the rest of 90% can be channeled through bank loan); second, 20:80 and the third 40:60. Priority is given to those who pay higher ratio (for example, 40:60 get their houses constructed and transferred to them before those who paid 20%). Although some poor families find it hard to save, it is easing the housing problem of urban dwellers, and particularly those living in Addis Ababa.

Other national or global factors

The global decline in the price of oil has had a positive impact on the lives of people. Transport costs and prices of other consumer goods have become more stable and the government seems to use the money saved from the reduced price of oil for other economic activities. There is widespread construction work, mainly of condominium houses for the poor and cobble pavement in the city, which created considerable job opportunities for the youth.

3 FIELD RESEARCH FINDINGS 2014 AND CHANGE OVER THREE YEARS

Wellbeing of households and individuals

What are people eating?

In general, there are changes in diets in both urban and rural areas. In urban households, there is change in the type of ingredients used for cooking, foods consumed and number of meals taken. For example, many households are not putting butter in the foods they cook due to the high price increase. Thus, cooking oil has largely substituted butter.

In the rural areas, in the past, porridge was the main dish the households were consuming. But currently, this has decreased since there is less production of butter. *Chachabsa* (flat bread mixed with butter) is disappearing due to shortage of butter. Now plain bread and *injera* (spongy flatbread) replace these traditional foods. *Torosho* (dried bread made from maize) is replaced with normal bread. In the past, people drank milk most of the time. Now people drink water or *keneto* (alcohol free local beer). Foods prepared from barley and wheat are becoming common in the rural community. Barley is used to make different local drinks and foods. The community has started to diversify what they eat and started consuming different types of vegetables. Rural people have also decreased the consumption of fish for family. One respondent said, in the past, "People eat fishes as if they were cabbages [cabbages are cheaper in the area]."

Changing job patterns

In the urban site of Addis Ababa, there have been changes in the occupations people are engaged in. People have started to work in textile factories, wood and metalwork activities as well as in cobble stone pavement work. In addition, they are working in the informal sector as porters, wood and wood chips sellers, water fetchers, daily laborers at construction sites and, as a final option, domestic laborers is becoming very common. After receiving some training, both men and women have started to engage in poultry and sheep fattening business. One new phenomenon is that people have started engaging in selling cooked foods.

In the rural site, the majority of people live on farming and women sometimes engage in retailing of vegetables to augment the income from farming. Farmers are increasingly using modern farm technologies. The introduction of tractors and combined harvesting machines in the community has led to increased participation of the local people in farming. This in turn also led to increased agricultural output. Paid work and irrigation works are the other income generating activities in the rural area.

Family and social relations

There have been changes in the participation of the community in volunteer work and public holiday celebrations in urban areas. In general, there has been continued and strengthened social interaction and active participation of the community in all development programs of their respective *weredas* (districts). People in the community continued to participate in

development work by contributing some money. For example, by contributing cash and labor to fix cobble stone in their neighborhoods.

Awareness creation programs about gender equality is given in the *kebele* (lowest administrative unit) in the rural community though there is no observable change with some households. There is increased awareness of parents and children about the importance of balanced diets. The community has good relations with each other and residents help one another. They still help those in need either through cash or labour. Inflation does not appear to have had an impact on people's relationships so far.

There is also some research done on malaria by Addis Ababa University and Hawassa University in the rural community. Health professionals are assigned to follow-up the health of the people and to provide mosquito nets. A new hospital was also constructed in a nearby town and this is expected to improve childbirth and childcare including nutrition of the community. Besides, the availability of these services in the area protect the community from incurring high medication cost.

Coping

Work

Urban agriculture is a new job opportunity for people living in the Addis Ababa area. People are engaged in poultry and distribute products to factories and hotels. There are also cattle rearing activities. People are organized in cooperatives and are improving their life using urban agriculture. There is production of mushrooms as well. Urban agriculture is bringing change from the previous year, even though it is only for some people.

For some rural communities, selling cooked food has become a big investment. Though inflation has impacted the saving of poor people, it has no impact on investment in agriculture. This is because, nowadays, farmers are conscious, allocate and store some harvest that will be used for purchasing of fertilizers and improved seeds later. Hence, when the time comes they sell what they stored to invest in agricultural inputs.

Food choices

There is a gap in food consumption among the different parts of the society in urban areas. However, price volatility does not seem to affect the food choice of the people. The community is still eating three meals a day and there is no change in this regard.

In the rural households, due to incremental increases in price of spices and other food grains (e.g. teff, wheat etc.) many of the community members started to consume cereals and vegetables. They started to diversify their food intake.

Unpaid care

In the rural site, men have started engaging in caring for small children though there is no complete shift in undertaking domestic tasks. It is only young husbands who have started to do minor household chores.

Though there are no gender based means of coping mechanisms in terms of work in urban area, there are shifts made within works in order to adjust to price volatility. For example, fetching firewood and leaves from the forest was the work of women in the past couple of years. Currently, women have stopped doing this work because bringing firewood from the forest is banned and the community also shifted to using electricity for cooking purposes.

There is no absolute change or shift in work from earlier period in the rural areas. However, there is slight change in sharing domestic activity among the male and female members of the household based on the age of the household heads. Following the awareness provided and change in their educational status, many younger households started to share the burden of jobs amongst themselves. The husbands assist their wives with domestic work and some also prepare food when the wives get sick. For example, Mrs N, a 28 year old farmer said, 'my husband helps me fetching water and splitting fire wood and sometimes does engage in laundry works'. Generally men have started to assume the responsibilities of caring for children. Fathers started to give care to smaller children when the mothers are busy with other domestic work. However, the older household heads are a bit conservative and do not share the burden of domestic works. One female participant in a focus group discussion with female youths said, 'My husband does not help me with domestic work but sometimes he gives care for our child. He always considers that his responsibility is farm work'.

Support and social protection

Informal, governmental, non-governmental

There are both formal and informal sources of support in urban areas. World Vision, FIDA, CCF, Mosques, Churches, Women's League, Youth League, Women and Youth Associations, Addis Credit and Saving Institution, Women's Institution for Credit and Saving, small scale industries, Women and Children and Youth Affairs office and St. Mary organizations are among the formal support mechanisms. Of these, the religious support organizations are more effective as the support is made in a more organized manner. The Consumer's Association has been acting as a major body to support people cope with the increasing food prices by supplying different food items at low price. It has started to supply teff, wheat, coffee, and rice, macaroni, food oil, sugar, tea, and wheat flour (*forno*). The *woreda* (district) administration has also helped people by writing support letters so that the poor get free medical service in any medical institution.

Consumers' cooperatives are playing a great role in controlling the prices of some consumable goods. They are preventing traders from increasing prices on food items such as meat, supply cooking oil and sugar, and provided grinding mills where people can buy and grind cereals for cheap price.

As sources of informal support, there has been no change in the urban community in the last three years. Family members support each other in times of crises. People also offer food items, clothes and money to each other. Lending and borrowing money from neighbors, friends and family is still part of the local informal support mechanism. However, it seems that the informal social supports are decreasing because people are said to become 'selfish' and some people are unable to pay back their debt. *Iqub* (saving association), *iddir* (burial association), exchanging gifts as well as lending money and items are the other informal sources of support. *Iqub* members saved money and supported the poor members to open shops. *Iddir* still play great role in supporting people in times of funeral. This time, however, *iddir* are also been engaged in different development activities such as contributing money for cobble stones or sewage systems.

Formal sources of support in the rural include Oromia Saving and Credit Association, Farmers union, SEDA (NGO), IDE. OCSA (WALQO), Bussa Gonofa, Metemamen, Meki Catholic and the local government. The majority of these organizations provide credit for the local community. Like Consumers Cooperatives in the urban areas, the Farmers' Union in the rural area provided support in regulating the cost of some food items. The farmers' union

provides fertilizers (Dap and Urea), improved seeds as well as some consumable food items such as sugar and food oil.

The local government has been providing awareness raising works on the use of improved agricultural technologies in the rural area. It also worked to promote adult education, to stabilise market prices for some consumable goods and to regulate transportation costs.

Iddir and *iqub*, *debo* (labour exchange) and *wonfel* (equal labour sharing system) are informal sources of support available in the rural area. *Wonfel* has become the best way of helping each other at the household level unlike *debo*. In the past, people helped each other in cash, grain crops and labour sharing systems informally. However, recently this type of informal help is not for free but with the expectation of some money in return. Borrowing without interest is disappearing from year to year. Among the labour sharing systems, *wonfel* and 1-5 person working networks have been expanding wide as compared with *debo* and *jigi* work groups.

Processed and unsafe foods

What kinds of food

Boiled and roasted maize, boiled sweet potatoes, samosa, potato chips, roasted biscuits and various types of roasted grains (*kolo*) are sold on roadsides in the urban community. Youth, students, and young couples consume potato chips equally. Students consume these foods during school break time. Roasted and boiled fresh maize are used by those who pass by roadsides. Young people and adults equally consume them. Taxi assistants, shoe shiners, drivers also consume such foods. Fresh maize is also used after 4 pm when people get back home from their jobs. Boiled potatoes and sweet potatoes are usually available in places where there are many daily labourers on construction areas.

On the contrary, rural people sell *injera* with or without *wot* (stew), *kokor* (biscuits), fish soup, Ranni juice (packed), soft drinks, *farso* (local beer), *keneto* (drink made from barley), *shemeta* (non-alcoholic beer) and *khat* (stimulant) outside their houses. Young and adult men from the community and migrant laborers who work on the irrigation farms in the community consume such foods.

Thus, there is a difference in the kinds of foods sold in the urban and rural area. Urban people usually engage in selling fast foods that cannot be kept for long while rural people sells foods that can at least stay without being spoiled for 2-3 days. Besides, alcoholic drinks are also sold in the rural areas which is not the case for urban community.

Why are they chosen

When asking respondents why they choose street foods and fast or processed foods over foods cooked at home, we found a wide range of answers.

Mr O, a 45 year old guard and farmer in Oromia said:

The food has good taste and the price is also fair. Moreover, the food is available in nearby area and we are able to eat food without travelling long distance. This in turn has an advantage for me and others. I can now invite guests with lower price and without travelling long.



June 19, 2014 the Ethiopian Reporter reads: 'Addis flooded with fast-food!'

In Addis Ababa, participants in a mixed focus group discussion provided us with a comprehensive answer:

These foods are attractive to the community for various reasons. They save time during rush hours because they are used for breakfast and snack, it is job creation and source of income for those who sell, the price is reasonable, they have good taste. Moreover, the sellers have good way of handling the customers, the working place is clean. The foods are available when people are hungry and tired, when eating outside there is refreshment, it also makes to be acquainted with other people. In case of coffee or tea there is chatting with those who sell and it is away to be quitted. (...), the fact that children eat outside reduces the workload on the mothers. The time that a mother spends to prepare snacks is reduced significantly.

In the rural site, the people choose these foods because of their accessibility and fair price. Mrs H, a 32 year old farmer said:

For instance, during mourning or social problems, if I may not have injera at home, I will buy from shops and serve my guests. Hence, the availability of food mainly injera without wot in the area is very helpful for us as well.

Mrs T, a 38 year old Tella and injera trader added:

Young customers come to eat inviting each other and eat in a group after work. Some others also dine in my restaurant because of its proximity to their work place and because lunch may not be prepared at their home by that time.



Young people waiting at school gate to sell their samosa for school children, Addis Ababa.

The migrant laborers choose these foods because of easy access and cheaper price as compared with the price of similar foods in the town. Similarly, local people prefer these foods because during peak farming times, they have little time to wait for breakfast and lunch at home. Eating outside helps them use their time efficiently. Besides, young people who have no one at home to cook for them food consume such foods because they have little chance to eat at home.

These answers point to a myriad of reasons why people choose processed or fast foods, ranging from economic and financial reasons, to social status and social relations and unpaid care work, but also pleasure and the ease of eating while walking.

What are people's worries

In the urban community, both the sellers and consumers have some worries regarding cooked foods. Power cuts, lack of proper nutritional training, not having good amount of customers and working without having work license are some of the worries of the sellers. Customers are mainly worried about the hygiene and sanitation of the foods.

There is no worry about the kind of food prepared outside of the home in the rural areas. However, their main worry is with regards to the change of behavior it may bring on husbands and the effect it has on spending. Mrs G, a 48 year old farmer participating in a mixed focus group with farmers, explained that 'following the expansion of food selling houses, husbands may frequently eat from these houses which makes the husband not to appreciate the food prepared by his wife and consequently will lead to disagreement between the couples.' In addition, children who are familiar with *kokor* (locally made biscuit) may tend to steal money from parents to buy these.

Another participant added:

If the husbands get accustomed to eating food from outside, they will neglect their wives and children. Husband would refuse to give some money for the family and does not appreciate the food that the wife prepares for him at home.



Coffee and other prepared food are served on the road side, rural site.



Many are worried about the hygiene of fast food, Addis Ababa.

What kind of regulation and information is done and by whom?

So far, there has been no supervision or monitoring done to check the quality and hygiene of the foods prepared outside the home in urban areas. In the rural area the local government is undertaking strict controls on the traders to ensure they do not increase prices, yet fail to check on the quality of the food they provide. One measure was taken to address the negative impact of the drink houses on safety and peace in the community. About three years ago, the participants talked about the *arake* houses (alcohol houses) at the *kebele* level and reached a consensus that the drink houses should stay open only until 8pm at night so that the sound pollution may decrease. Accordingly, militia men were assigned to control it, although the drink houses remain open until midnight.

4 CONCLUSIONS

Links between local, national and global conditions and actions

In the past year, there has been at least stability in the price of consumer goods in the country. This is an outcome of a combination of global, national and local phenomena. Global reduction in the price of oil, coupled with the government's strong move to control prices and the supply of consumers goods, and local cooperatives selling consumer and raw materials (in the rural site) at fair price have made life easier for a lot of the respondents in this study.

Changes over three years

There are evident institutions protecting consumers in every locality of the study areas. This a major change. Subsidy in terms of public transport for civil servants, subsidized housing contribution to the poor and civil servants, increased employment of the youth are the major changes we witnessed in the study areas.

Specific issues with unsafe and processed foods

The preparation and sale of processed and fast foods has boomed last year. This has created job opportunities for those who prepare the food as well as for consumers for whom it is now easier to obtain and cheaper than they used to consume in small restaurants. Many have reported that women are benefiting from saving time because they can buy snacks for their family instead of preparing at home. However, there are still hygiene concerns. The food is prepared on the roadside with no shelter, exposed to sun and dust. Many also doubt the quality of the cooking oil used in the process.

Implications for people living in poverty

The changes already seen happening in the study areas seem to help people living in poverty. Poor people mainly need basic consumer goods and the government seems to be moving towards addressing that. Price control, supply of food items at fair price in every neighborhood, supply of housing at a relatively fair price, salary increase and free public transport for civil servant appears to ease respondents' lives. But as these are limited in scope, there are still many poor people struggling to get by in everyday life.

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The information in this publication is correct at the time of going to press.

Published by the Institute of Development Studies under ISBN 978-1-78118-279-6 in March 2015.

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